

**COUNTY OF SAN LUIS OBISPO BOARD OF SUPERVISORS
AGENDA ITEM TRANSMITTAL**

(1) DEPARTMENT Public Works	(2) MEETING DATE 12/16/2014	(3) CONTACT/PHONE Michael Britton, Cooperative Roads Program Manager (805) 788-2318	
(4) SUBJECT Submittal of resolutions setting a public hearing to consider establishing a zone within County Service Area 21 for road improvements; and proposing the adoption of a special tax for Leonard Place in the community of Cambria. Hearing date set for January 27, 2015. District 2.			
(5) RECOMMENDED ACTION It is recommended that the Board: <ol style="list-style-type: none"> 1. Approve the attached resolution calling for a January 27, 2015, public hearing to consider forming the Road Improvement Zone – Leonard Place within County Service Area No. 21 (CSA No. 21); and 2. Approve the attached resolution calling for a January 27, 2015, public hearing on the adoption of a special tax in the subject zone; and 3. Direct the County Clerk to publish a notice of the public hearing in accordance with Government Code Section 6061. 			
(6) FUNDING SOURCE(S) County Service Area 21	(7) CURRENT YEAR FINANCIAL IMPACT \$3,000.00	(8) ANNUAL FINANCIAL IMPACT N/A	(9) BUDGETED? Yes
(10) AGENDA PLACEMENT <input type="checkbox"/> Consent <input type="checkbox"/> Presentation <input type="checkbox"/> Hearing (Time Est. ____) <input type="checkbox"/> Board Business (Time Est. ____)			
(11) EXECUTED DOCUMENTS <input type="checkbox"/> Resolutions <input type="checkbox"/> Contracts <input type="checkbox"/> Ordinances <input type="checkbox"/> N/A			
(12) OUTLINE AGREEMENT REQUISITION NUMBER (OAR) N/A		(13) BUDGET ADJUSTMENT REQUIRED? BAR ID Number: N/A <input type="checkbox"/> 4/5 Vote Required <input type="checkbox"/> N/A	
(14) LOCATION MAP Attached	(15) BUSINESS IMPACT STATEMENT? No	(16) AGENDA ITEM HISTORY <input type="checkbox"/> N/A Date: 5/20/14, #8	
(17) ADMINISTRATIVE OFFICE REVIEW <i>Nikki J. Schmidt</i>			
(18) SUPERVISOR DISTRICT(S) District 2			

Reference: 14DEC16-C-1

County of San Luis Obispo



TO: Board of Supervisors

FROM: Public Works
Michael Britton, Cooperative Roads Program Manager

VIA: Dave Flynn, Deputy Director of Public Works

DATE: 12/16/2014

SUBJECT: Submittal of resolutions setting a public hearing to consider establishing a zone within County Service Area 21 for road improvements; and proposing the adoption of a special tax for Leonard Place in the community of Cambria. Hearing date set for January 27, 2015. District 2.

RECOMMENDATION

It is recommended that the Board:

1. Approve the attached resolution calling for a January 27, 2015, public hearing to consider forming the Road Improvement Zone – Leonard Place within County Service Area No. 21 (CSA No. 21); and
2. Approve the attached resolution calling for a January 27, 2015, public hearing on the adoption of a special tax in the subject zone; and
3. Direct the County Clerk to publish a notice of the public hearing in accordance with Government Code Section 6061.

DISCUSSION

The Department of Public Works has previously received signed requests from the residents and property owners of Leonard Place in Cambria seeking a Road Improvement Zone. These requests are for County Service Area (CSA) No. 21 to improve their road to a County maintained paved standard under the existing Cooperative Road Program. The residents and property owners on Leonard Place have asked that the County assist them in their efforts to improve their road by forming a zone within the CSA for that purpose and indicating their support to fund through annual payments on their property tax. The proposed actions are for the Board of Supervisors to initiate formation of a Road Improvement Zone – Leonard Place of County Service Area No. 21, and to impose, levy and collect in the Road Improvement Zone – Leonard Place a special tax for improving the road.

Last year, the Public Works Department presented for your Board's consideration, formation of a zone of benefit and recommendation for a mailed ballot election for Leonard Place that was comprised of 16 lots. This was referred to during the hearing as Alternative #1. On May 20, 2014, the Election's Clerk reported to your Board that the Measure (Measure A-14) failed. At the request of the same applicants, we are presenting for your Board's consideration, an abbreviated Leonard Place zone of benefit that is comprised of 10 lots (referred to during last year's hearing as Alternative #2).

County Service Area No. 21 was formed by resolution of the Board of Supervisors on September 20, 1984, in order to provide cooperative road improvement services to the residents and property owners in San Luis Obispo County. The attached resolutions concerning zone formation and a special tax election are required by current state law to establish new fees, service charges or benefit assessments.

Section 25217.4 of the Government Code authorizes the Board of Supervisors to establish zones within any County Service Area with tax rates, service charges, benefit assessment, fire suppression assessments, or connection charges varying with the extent of the benefit derived from services provided to the property within the zones.

Section 25215.2 of the Government Code authorizes the Board of Supervisors to impose, levy and collect a special tax within a zone of a county service area, pursuant to the procedures prescribed in Article 3.5 (commencing with Section 50075) of Chapter 1 of Part 1 of Division 1 of the Government Code, to fund services such as the road improvements.

Section 50077(a) of the Government Code provides that the Board of Supervisors may, following notice and public hearing, propose by ordinance or resolution the adoption of a special tax. The ordinance or resolution shall include the type of tax and the rate of tax to be levied, the method of collection, and the date upon which an election shall be held to approve the levy of the tax.

In order to accomplish the formation and the funding of the Road Improvement Zone – Leonard Place, it will be necessary for the Board of Supervisors to approve the attached resolutions.

The first Resolution provides for:

- (a) setting a public hearing date of January 27, 2015, for the consideration of the Board of Supervisors to form the Road Improvement Zone – Leonard Place; and
- (b) directing the County Clerk to give public notice of the public hearing.

The second Resolution provides for:

- (a) setting a public hearing date of January 27, 2015, for the consideration of the Board of Supervisors to set an election for the adoption of a special tax within the proposed Road Improvement Zone – Leonard Place; and
- (b) directing the County Clerk to give public notice of the public hearing.

If your Board acts to support the resolutions at the January 27, 2015 hearing, the approval would lead to conducting a formal vote by the property owners in May of 2015 to seek a majority to move forward on funding the improvements.

OTHER AGENCY INVOLVEMENT/IMPACT

County Counsel has reviewed the resolutions and approved them as to legal form and effect. The County Clerk has been consulted regarding special tax election issues.

FINANCIAL CONSIDERATIONS

There are ten (10) parcels within the proposed road improvement zone. The proposed special tax assessment, if approved by the voters within the proposed tax zone, will initially be based at an amount not to exceed \$1,815 per parcel, per year, for each property having a separate County Assessor's Parcel Number to be increased at the rate of 2% per year thereafter. The per parcel tax is based on conservative construction cost estimates, project development costs, interest and inflation; with each parcel taxed at the same amount.

The project will be funded by a loan from the County General Fund, and this loan will be repaid by the special tax collected.

RESULTS

Approval of the recommended actions will cause a hearing to occur on January 27, 2015, concerning the proposed formation of the Road Improvement Zone – Leonard Place and a related Special Tax within County Service Area 21.

File: County Service Area No. 21/Cooperative Roads

Reference: 15JAN27-H-1

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ATTACHMENTS

1. Vicinity Map
2. Notice of Public Hearing
3. Resolution of Intention to Create a Zone for Road Improvements Within the San Luis Obispo County - County Service Area No. 21 for Leonard Place
4. Resolution Proposing the Adoption of a Special Tax Within the Road Improvement Zone - Leonard Place of San Luis Obispo County Service Area No. 21